

STATE OF HAWAII
REQUEST FOR EXEMPTION FROM CHAPTER 103F, HRS

To: Chief Procurement Officer

'06 AUG 24 11:20

From: Department of Health/Adult Mental Health Division *ay*
Department/Division/Agency

Pursuant to § 103F-101(a)(4), HRS, and Chapter 3-141, HAR, the Department requests a procurement exemption to purchase the following:

Title and description of health and human service(s):

Extended Care Adult Residential Care Home (E-ARCH) services for patients currently at the Hawaii State Hospital (HSH) and other appropriate consumers who have been determined to not require a hospital level of care. E-ARCH is a category of adult residential care home that is qualified to serve nursing facility level residents.

Provider Name: Various licensed E-ARCH facilities	Total Contract Funds: \$1,000,000 (estimated)	Term of Contract: From: 11/1/06 To: 6/30/08	
Provider Address: various	Contract Funds per Year (as applicable). FY 07 \$400,000 FY 08 \$600,000		

Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

Overcrowding at the HSH continues to be a critical problem due to persistent high admissions and a shortage of specialized treatment resources for patients who no longer require hospitalization. The HSH budgeted bed capacity is 168 and the census has consistently been over 180 for the past 8 months. On January 23, 2006, the Adult Mental Health Division (AMHD) received an exemption from Chapter 103F, HRS for the period February 1, 2006 to October 31, 2006 to contract with licensed E-ARCH providers to place an initial group of HSH patients who had no legal encumbrances and were assessed as appropriate for E-ARCH placement. Additional patients appropriate for E-ARCH community placements are projected be identified in the coming months. AMHD consumers residing in other types of community settings may also benefit by E-ARCH placement.

Currently, there are more than 40 licensed facilities that are capable of providing E-ARCH services. AMHD seeks an exemption to continue to be able to contract with any licensed E-ARCH provider who is interested in providing services for discharged HSH patients and other AMHD consumers who might be appropriate for E-ARCH placement.

The competitive procurement is not practical nor advantageous to the State because AMHD would like to contract with any and all licensed E-ARCH providers who are interested in providing services for adults with severe and persistent mental illness. A rate schedule has

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already been developed for this level of care. Individual contracts and placement decisions will be made on a patient-by-patient basis based on criteria described below.

Details of the process or procedure to be followed in selecting the service provider to ensure maximum fair and open competition as practicable:

The Department of Health's Office of Health Care Assurance licenses E-ARCH providers. Any individual that meets the minimum qualifications can apply to be a licensed E-ARCH provider.

AMHD staff will conduct continuous outreach to all licensed E-ARCH providers to keep them aware of AMHD's interest in placing its consumers in their facility and to identify placement opportunities for specific, appropriate consumers. AMHD will maintain and update a list of E-ARCH providers interested in accepting AMHD consumers. When an individual consumer is ready for discharge from HSH, HSH's clinical staff will determine which E-ARCH facility is most appropriate based on: 1) bed availability, 2) geographical location (nearness to family and community supports), 3) the match between a particular patient needs and other residents of the E-ARCH, and 4) the on-site assessment of placement appropriateness in the judgment of the patient and the E-ARCH staff. The same criteria will be used by other AMHD clinical staff for those consumers who are not HSH patients but are considered appropriate for E-ARCH placement.

A description of the state agency's internal controls and approval requirements for the exempted procurement:

AMHD will contract with any interested licensed E-ARCH provider during the period of the exemption. Clinical staff at HSH and AMHD, in accordance with specific criteria, will determine placement of individual patients. The AMHD Utilization Management unit will authorize all placements.

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A list of state agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Thomas W. Hester, M.D., AMHD Chief
William Elliott, Acting HSH Administrator
Amy Yamaguchi, AMHD Public Health Administrative Officer (PHAO)

Direct questions to (name & position):
Amy Yamaguchi, PHAO

Phone number:
586-4681

e-mail address:
amy.yamaguchi@doh.hawaii.gov

This exemption should be considered for list of exemptions attached to Chapter 3-141, HAR: Yes ☐ No ☒

I certify that the information provided above is to the best of my knowledge, true and correct.



Department Head Signature

AUG 22 2006

Date

Chiyome Leinaala Fukino, M.D.

Typed Name

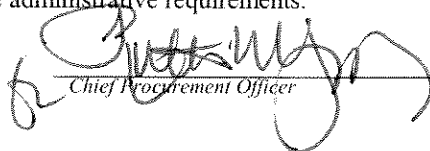
Director of Health

Position Title

Chief Procurement Officer's Comments:

Please ensure adherence to applicable administrative requirements.

☒ Approved ☐ Denied



Chief Procurement Officer

9/1/06

Date

cc: Administrator
State Procurement Office

State of Hawaii
Notice of Request for Exemption from Chapter 103F, HRS

The chief procurement officer is considering this request for exemption and, if there is good cause, the state intends to exempt the purchase as described in the request. Any inquiries regarding the purchase shall be directed to the contact person noted on page two of the request. Any concerns regarding the exemption shall be in writing and received by the chief procurement officer within seven days of the date the notice was first posted. Concerns shall be mailed to: Aaron Fujioka, Chief Procurement Officer, State Procurement Office, 1151 Punchbowl St., #230A, Honolulu, HI 96813.